

AE Group B.V.
Willemstad

AE Group B.V.

at Willemstad

Annual report 2023

Table of contents

	Page
1. ACCOUNTANTS REPORT	
1.1 Accountant's compilation report	3
1.2 General	4
1.3 Fiscal position	5
2. FINANCIAL STATEMENTS	
2.1 Balance sheet as at 31 December 2023	6
2.2 Income statement for the year 2023	7
2.3 Notes to the financial statements	8
2.4 Notes to the balance sheet as at 31 December 2023	11
2.5 Notes to the income statement for the year 2023	13

AE Group B.V.
Willemstad

1. Accountants report

AE Group B.V.
Willemstad

AE Group B.V.
Abraham Mendez Chumaceiro Boulevard 03
Willemstad

May 29, 2024

Dear Sirs,

1.1 ACCOUNTANT'S COMPILATION REPORT

The financial statements of AE Group B.V. have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2023 and the income statement for the year 2023 for the year then ended with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with International Standard on Related Services 4410, "Compilation engagements", which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with the accounting policies as described in the notes. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that the information you give us is correct and that you provide us with all relevant information. Therefore, we have conducted our work in accordance with the applicable regulations and on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole and are satisfied that they present a picture in line with our broad understanding of AE Group B.V..

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

inFocus N.V.



W. van Steijn AA

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1.2 GENERAL

Incorporation company

The Company was established on May 9th, 2017.

Activities

The activities of AE Group B.V. primarily consist of:

- 1a. to provide off-shore games of chance and wagering, through the internet in compliance with the regulations - of the Government of Curaçao. This service shall be referred to for all purposes as Internet Casino/Internet Wagering/Internet Sportsbook” provided it concerns aforementioned services.
2. The corporation is authorized to perform everything requisite or profitable to the accomplishment of its purpose or incidental thereto or connected therewith in the widest sense of the word.
3. The corporation has no authority to invoke the annulment of legal acts performed by the corporation, which exceeded the corporate objective.

AE Group B.V.
Willemstad

1.3 FISCAL POSITION

2023

EUR

Calculation taxable amount

Taxable amount = Result before taxation

(547,525)

2.1 BALANCE SHEET AS AT 31 DECEMBER 2023

		31-12-2023		31-12-2022	
		EUR	EUR	EUR	EUR
ASSETS					
Current assets					
<i>Receivables</i>					
Receivables from group companies	1	37,971		187,231	
Loans receivable	2	30,076		-	
Other receivables and current assets	3	2,500		2,500	
			70,547		189,731
<i>Cash and cash equivalents</i>					
Other banks			518,825		1,000,519
Total assets			589,372		1,190,250
EQUITY AND LIABILITIES					
Equity					
Issued share capital	4	92		92	
General reserve	5	516,189		1,063,714	
			516,281		1,063,806
Current liabilities					
Trade payables	6	-		3,172	
Taxes and social security contributions	7	275		175	
Other payables and short term liabilities	8	72,816		123,097	
			73,091		126,444
Total equity and liabilities			589,372		1,190,250

Mitko Todorov : 

2.2 INCOME STATEMENT FOR THE YEAR 2023

		2023	2022
		EUR	EUR
Net turnover	9	102,623	703,471
Cost of sales	10	<u>(170,735)</u>	<u>(151,665)</u>
Gross margin		(68,112)	551,806
Other operating expenses	11	<u>485,943</u>	<u>16,742</u>
Operating result		(554,055)	535,064
Financial income and expense	12	<u>6,530</u>	<u>(14,085)</u>
Result before taxation		(547,525)	520,979
Taxation		<u>-</u>	<u>-</u>
Net result after taxation		<u>(547,525)</u>	<u>520,979</u>

Mitko Todorov: 

2.3 NOTES TO THE FINANCIAL STATEMENTS

Entity information

Registered address and registration number trade register

The registered and actual address of AE Group B.V. is Abraham Mendez Chumaceiro Boulevard 03, in Willemstad, Curaçao. AE Group B.V. is registered at the Chamber of Commerce under number 143574.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements have been prepared in accordance with the accounting policies selected and disclosed by the company, and as set out in the notes to the financial statements. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

Valuation of assets and liabilities and determination of the result take place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are valued according to the cost model.

Income and expenses are accounted for on an accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial period are taken into account if they have become known before preparation of the financial statements.

Accounting principles

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

Current assets

Current assets are initially valued at the fair value of the consideration to be received, including transaction costs if material. Trade receivables are subsequently valued at the amortised cost price. Provisions for bad debts are deducted from the carrying amount of the receivable.

Equity

When AE Group B.V. purchases treasury shares, the consideration paid is deducted from equity (other reserves or any other reserve if the articles of association allow so) until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received is included in equity (other reserves or any other reserve). The consideration received will be added to the reserve from which earlier the purchase price has been

deducted.

Incremental costs directly attributable to the purchase, sale and/or issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Other reserves

Other reserves are all reserves, except the legal and statutory reserves. Other reserves can freely be distributed to the shareholders.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Revenue recognition

Net turnover comprises the income from the supply of goods and services and realised income from construction contracts after deduction of discounts and such like and of taxes levied on the turnover.

General and administrative expenses

General and administrative expenses comprise costs chargeable to the year that are not directly attributable to the cost of the goods and services sold.

Other operating expenses

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Financial income and expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur, unless hedge-accounting is applied.

Dividends to be received from participations and securities not carried at net asset value are recognised as soon as AE Group B.V. has acquired the right to them.

Changes in the value of financial instruments recognised at fair value are recorded in the income statement.

Interest expenses and related expenses

Interest expenses are recognised on a pro rata basis, taking account of the effective interest rate of the liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Income tax expense

Tax on the result is calculated based on the result before tax in the income statement, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-

AE Group B.V.
Willemstad

deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

2.4 NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2023

ASSETS

Current assets

Receivables

	31-12-2023 EUR	31-12-2022 EUR
1 Receivables from group companies		
Nova Zvezda 100D	37,971	187,231
2 Loans receivable		
G&B Consult EOOD	30,076	-
This regards a loan issued on October 8, 2023 in the amount of BGN 58,530. The interest is 3% per annum and the loan must be repaid no later then October 10, 2024.		
3 Other receivables and current assets		
Miscellaneous prepaid expenses	2,500	2,500

EQUITY AND LIABILITIES

4 Equity

	Issued share capital EUR	General reser- ve EUR	Total EUR
Balance as at 1 January 2023	92	1,063,714	1,063,806
Appropriation of result	-	(547,525)	(547,525)
Balance as at 31 December 2023	92	516,189	516,281

5 Issued share capital

The share capital is USD 100 consisting of 100 shares each with a nominal value USD 1.

Current liabilities

6 Trade payables

Trade creditors	-	3,172
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	31-12-2023	31-12-2022
	EUR	EUR
7 Taxes and social security contributions		
Corporate tax payable	275	175
8 Other payables and short term liabilities		
Current account shareholder	-	56,102
Player balances	55,117	49,295
Sanevian	15,000	15,000
Other accruals	2,699	2,700
	72,816	123,097

2.5 NOTES TO THE INCOME STATEMENT FOR THE YEAR 2023

	2023 EUR	2022 EUR
9 Net turnover		
Bets placed	11,898,262	17,694,985
Winnings	(11,698,411)	(16,892,490)
Bonus	(97,228)	(99,024)
	<u>102,623</u>	<u>703,471</u>
10 Cost of sales		
Cost of sales	<u>170,735</u>	<u>151,665</u>
Cost of sales		
License and server fees	91,800	106,922
Payment gateway charges	77,929	43,151
Revenue share	1,006	1,592
	<u>170,735</u>	<u>151,665</u>
11 Other operating expenses		
Selling expenses	433,177	-
General expenses	<u>52,766</u>	<u>16,742</u>
	<u>485,943</u>	<u>16,742</u>
Selling expenses		
Write off doubtful debtor	<u>433,177</u>	<u>-</u>
General expenses		
Management fees	-	7,742
Professional fees	52,666	9,000
Other general expenses	100	-
	<u>52,766</u>	<u>16,742</u>
12 Financial income and expense		
Interest and similar income	150	-
Interest and similar expenses	-	(5,669)
Currency translation differences	6,380	(8,416)
	<u>6,530</u>	<u>(14,085)</u>

AE Group B.V.
Willemstad

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Interest and similar income		
Interest loans receivable	<u>150</u>	<u>-</u>
Willemstad, May 29, 2024		
AE Group B.V.		

